PAGE 01 OF 03 STATE 011198 8838
ORIGIN EURE-12

INFO OCT-00 ADS-00 AID-05 CIAE-00 COM-04 EB-01 FRB-01
INR-10 NSAE-00 ICA-15 TRSE-00 XMB-04 OPIC-07
SP-02 LAB-04 H-02 SIL-01 OMB-01 NSC-05 SS-15
STR-00 CEA-01 DODE-00 PA-02 AGR-01 SMS-01 NEA-07
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DEPARTMENT OF STATE A/CDC/MR
BY ZACHARY DATE 10/4/83

P R 142232Z JAN 88
FM SECSTATE WASHDC
TO AMEMBASSY MOSCOW PRIORITY
INFO AMCONSUL LENINGRAD

UNCLAS-STATE 011198

FROM EUR/SOV

E.O. 12065:N/A

TAGS: SOPR, UR, US

SUBJECT: DEPARTMENT PRESS BRIEFING - JANUARY 11, 1988

FOR YOUR INFORMATION AND GUIDANCE FOLLOWING ARE RELEVANT EXCERPTS FROM DEPARTMENT PRESS BRIEFING FOR JANUARY 11, 1988. SPOKESMAN WAS HCODING CARTER.

Q. WHILE THE SANCTIONS AGAINST THE SOVIET UNION HAVE AS THEIR CENTERPIECE ALMOST, THE SANCTION ON FEED GRAINS OBVIOUSLY AFFECTING THE SOVIET UNION'S ABILITY TO PUT MEAT ON THE TABLE AT SOME POINT IN THE FUTURE.

WHY IS IT THAT WITH THE IRANIANS, WE EXCLUDE FOOD; AND WITH THE SOVIETS WE ALMOST TARGET ON FOOD? WHAT IS THE DIFFERENCE BETWEEN THE TWO CASES THAT HAS PERMITTED THIS DOUBLE--

A. THE UTILITARIAN EFFECT OF EACH STEP. THE EFFECT THAT YOU ARE SEEKING TO ACHIEVE, THE NECESSITY OF WHAT THE SITUATION DICTATES. YOU HAVE A TOTALLY DIFFERENTKIND OF PROBLEM WITH THE SOVIET UNION FROM THAT WHICH YOU FACE WITH IRAN. YOU ALSO HAVE DIFFERENT SETS OF LEVERS AVAILABLE TO YOU IN TERMS OF EFFECTIVENESS.

I JUST HAVE TO SAY AGAIN, THAT IN THIS AS IN OTHER ASPECTS OF POLICY, THE SITUATION ON THE GROUND DETERMINES WHAT MIX YOU USE IN APPROACHING THE PROBLEM.

BUT LET ME ALSO NOTE THAT WHILE THERE IS GOING TO BE A DEFINITE EFFECT OF OUR GRAIN CUTOFF TO THE SOVIET UNION, ONE OF THE EFFECTS WILL NOT BE THE POSSIBILITY OF STARVATION BY THE PEOPLE. THERE WILL BE A STRETCHING, AND A DIMINISHING OF THE QUALITY OF WHAT IS AVAILABLE TO THE CONSUMER.

IN THE CASE OF IRAN, FOOD SHIPMENTS FROM OUTSIDE CONSTITUTE ;THE" SOURCE OF FOODSTUFFS WHICH IS VITAL TO THE SURVIVAL OF A LARGE NUMBER OF PEOPLE.

AND I WANT TO ADD THAT WE ARE NOT TRYING TO KILL PEOPLE WITH OUR BOYCOTT OF THE SOVIET UNION IN THE TERMS OF GRAIN. WE ARE TRYING TO MAKE A PENALTY WHICH IS FELT.

Q. IS THE UNITED STATES ASKING THE COMMON MARKET TO EMBARGO OTHER FOODSTUFFS WHICH IT SELLS TO THE SOVIET UNION, SUCH AS DAIRY PRODUCTS AND SUCH AS THAT?

A. YOU MEAN, "ARE WE ASKING THEM TO?"

STATE 011198

Q. YES.

A. WE HAVE CONSULTATIONS WHICH HAVE BEEN GOING ON WITH THE VARIOUS MEMBERS OF THE MARKET, AND WITH THE MARKET ITSELF, WHICH IS AN ENTITY. I AM NOT GOING, AT THIS POINT, TO GO INTO THE DETAILS OF THE CONVERSATIONS. NOR AM I GOING TO BE ABLE TO DEAL WITH WHAT ARE SOMEFAIRLY WILDLY CONTRADICTORY STORIES IN THIS MORNING'S NEWSPAPERS FROM VARIOUS CORRESPONDENTS, ABOUT WHERE THE MARKET STANDS RIGHT NOW AND HOW IT APPROACHES THE QUESTION OF DEALING WITH THE SOVIET UNION. I THINK THAT I AM GOING TO HAVE TO LET THAT BE ESTABLISHED BY THE MARKET REPRESENTATIVES WHEN THEY COME TO A DECISION.

Q. ALL RIGHT, BUT IRRESPECTIVE OF WHAT THE REPORTS ARE ABOUT WHAT THE MARKET THINKS, THE REPORTS SEEM TO BE FAIRLY UNANIMOUS IN SAYING THAT THE UNITED STATES IS ASKING THE MARKET TO BLOCK SHIPMENTS OF OTHER FOODSTUFFS AND GRAIN TO THE SOVIET UNION.

A. AND I AT THIS POINT AM SIMPLY NOT GOING TO GO INTO WHAT IT IS THAT WE ARE ASKING IN OUR VARIOUS DIPLOMATIC CONTACTS.

Q. HODDING, COULD YOU SHED SOME CLARIFICATION ON THE SITUATION ABOUT HOW WE VIEW ARGENTINA'S ABILITY TO INCREASE ITS SALES OF GRAIN TO THE SOVIET UNION?

THERE ARE CONFLICTING STATEMENTS COMING OUT OF THIS BUILDING, AND OUT OF BUENOS AIRES --

A. I APPRECIATE THAT.

IT DEPENDS ON WHAT YOU ARE TALKING ABOUT. IF YOU ARE TALKING ABOUT WHEAT AND THE LIKE, THE ANSWER IS THAT THEY DON'T HAVE THE CAPABILITY. IF YOU ARE TALKING ABOUT CERTAIN OTHER -- IN THE GENERAL CATEGORY OF GRAIN, CORN -- I UNDERSTAND THAT THEY HAVE THE ABILITY TO MAKE UP SOME OF THE SHORTFALL.

I AM NOT PREPARED AT THIS POINT, GIVEN THE AS YOU CORRECTLY NOTED, CONFLICTING INFORMATION COMING OUT OF HERE TO SAY HOW MUCH.

INSOFAR AS WHAT ARGENTINA INTENDS, I WOULD LIKE TO MAKE NOTE OF TWO THINGS HERE:

THE FIRST IS THAT THE ARGENTINE GOVERNMENT, ON JANUARY 10, ISSUED A STATEMENT WHICH WAS SHARPLY CONDEMNING THE SOVIET ACTION IN AFGHANISTAN. THAT WAS A POLICY STATEMENT BY THAT GOVERNMENT.

THE SECOND THING I WOULD NOTE IS THAT THE ARGENTINE GOVERNMENT, IN REFERRING TO ITS POSITION ON THE QUESTION OFA BOYCOTT OF SALES TO SOVIET UNION OF FOODSTUFFS, ALSONOTED THAT IT WOULD BE ATTENDING A MEETING THAT IS BEINGHELD HERE TO DISCUSS THAT WHOLE SITUATION.

WE HOPE AND WE BELIEVE THAT AS THE SITUATION IS FULLY DISCUSSED AMONG US, BY THE PARTICIPANTS AT THIS MEETING, ARGENTINA WILL DECIDE AS A MATTER OF PUBLIC PRONOUNCEMENT AND PRIVATE ACTION, THAT IT WILL NOT TAKE ANYSTEPSWHICH WOULD HELP TO MAKE UP THE SHORTFALL OF THE DECISIONSNOW, BY THE MAJOR OTHER GRAIN PRODUCERS.

Q. HODDING, YOU TAKED ABOUT ARGENTINA.

BRAZIL HAS A LARGE RESERVE OF SOYBEANS, APPARENTLY, AND

SOME OF THE LEADERS THERE HAVE INDICATEDTHATTHEY WOULD BE WILLING TO SELL THEIR RESERVES TO ANYONEWHO ASKS FOR IT. HAVE YOU TALKED WITH THE BRAZILIANS?

DO YOU HAVE AN IDEA WHETHER IN FACT THEY MIGHT SELL THE SOYBEANS TO THE RUSSIANS, TO GET AROUND THE U.S. EMBARGO?

A. I AM RAPIDLY GOING TO BE IN THE POSITION OF THE LITTLE DUTCH BOY, WHICH IS TRYING TO DEAL WITH EACH OF YOUR VARIOUS REPORTS BY TRYING TO "PUT SOMETHING INTO THE DYKE." I AM NOT GOING TO DO THAT.

I AM GOING TO REPEAT WHAT I SAID BEFORE, WHICH IS THAT WHEN ACTIONS ARE TAKEN; AS OPPOSED TO MUMBLED WHISPERS OF POSSIBLE ACTION, OR PUBLIC PRONOUNCEMENTS MADE FOR EFFECT, OR ANYTHING OF THE SORT; WHEN ACTIONS ARE TAKEN THAT SERVE TO UNDERCUT THE EMBARGO THAT WE HAVE ANNOUNCED. I WILL DEAL WITH THEM. BUT UNTIL SUCH TIME AS THAT, I AM GOING TO OPERATE -- THIS GOVERNMENT IS GOING TO OPERATEONTHE ASSUMPTION THAT THOSE WHO LIVE IN THIS WORLD WILL NOT WILLINGLY "PAY OFF" THE IMPERIALIST AND WILL NOT WILLINGLY ACCEDE TO AGGRESSION BY DOING "BUSINESS AS USUAL."

WE WILL SEE WHETHER THAT IS A FOND HOPE, OR A REALITY.

Q. HODDING, TO GO BEYOND THE VICE PRESIDENT'S STATEMENT YESTERDAY, ABOUT MOVING THE OLYMPICS TO THE WEST, ARE THERE ANY PLANS TO FORMALLY ASK AMERICAN ATHLETES, OR THE AMERICAN OLYMPIC COMMITTEE, OR OTHER WESTERN OLYMPIC COMMITTEES, TO DO THAT, OR TO BOYCOTT THE SOVIET UNION -- OR RATHER, THE OLYMPICS IN THE SOVIET UNION?

A. I THINK THAT THE POSITION ON THE OLYMPICS WAS STATED BY THE PRESIDENT A WEEK AGO, MORE OR LESS. ITWASEXACTLY A WEEK AGO. I WOULD ONLY WANT TO ADD TO THAT POSITION THAT THE PRESIDENT BELIEVES, AND VIEWS THIS AS AN OPEN QUESTION -- THAT WHAT THE DECISION WILL FINALLY BE INSOFAR ASTHE PRESIDENTIAL LEADERSHIP OF THIS COUNTRY IS CONCERNED, RESTS STILL IN THE HANDS OF THE SOVIET UNION AND IN ITS RESPONSE TO THE INTERNATIONALOUTRAGE OVERITS IMPERIALIST ACTIVITIES IN AFGHANISTAN; AND INTO WHAT STEPS IT MAY TAKE.

SO I REPEAT: IT IS AN OPEN QUESTION ABOUT THAT ...

Q. HODDING, I AM A LITTLE PUZZLED BY THAT REPLY.

IF THE ADMINISTRATION'S STRATEGY IS ONE OF THE POLICY TO MAKE THE SOVIETS FEEL A PENALTY, IS ONE OF DURATION NOT "BUSINESS AS USUAL" WHY IS THE ADMINISTRATION KEEPING OPEN THE POSSIBILITY THAT THERE WILL BE "BUSINESS ASUSUAL" WITH RESPECT TO THE OLYMPICS?

A. I CONTINUE TO STAND BY WHAT THE PRESIDENT SAID. I MEAN, I WILL GO BEYOND IT JUST TO THIS EXTENT:

THERE HAS ALWAYS BEEN AN HISTORIC DESIRE TO SEPARATE OUT CERTAIN CONSIDERATIONS FROM OTHERS. THAT, HOWEVER, CANNOT BE TAKEN AS AN ABSOLUTE, INFLEXIBLE, NEVER-TO-BE-DEVIATED-FROM PRECEDENT WHEN UNPRECEDENTED ACTIONS ARE TAKEN.

THE SOVIET UNION HAS ENGAGED IN ACTIONS OF THAT SORT. THAT IS WHAT KEEPS THIS MATTER AN OPEN QUESTION, DESPITE PAST POLICY TO THE CONTRARY, AND I REALLY DON'T HAVE ANYTHING ELSE TO ADD TO THAT.

Q. IF A DECISION IS MADE TO MOVE, WOULD THE UNITED STATES GIVE EMERGENCY FINANCIAL AID TO CANADA TO HELP THEM GET ...

A. I DON'T WANT TO TRY TO DEAL WITH THE QUESTION OF THE

MOVEMENT OF THE OLYMPICS. I THINK THAT IS WAY BEYOND MY KEN. IN ANY CASE, THAT IS NOT A DECISION OVER WHICH I HAVE ANY SAY AND I DON'T HAVE ANYTHING ELSE I CAN OFFER ON THAT.

Q. WHEN DOES WATSON GO BACK TO MOSCOW?

A. I HATE TO DO THIS TO A NUMBER OF PEOPLE SINCE THE INFORMATION THAT YOU WERE ASSIDUOUSLY GIVEN WAS CORRECT WHEN GIVEN.

AT THIS POINT THERE IS NO DEFINITE PLAN FOR HIS RETURN.

Q. HOW LONG HAS IT BEEN, HODDING, SINCE SENIOR AMERICAN DIPLOMATS --

A. WELL, SINCE I NEVER SAID THAT IT WAS SAID ON THE RECORD, I DON'T HAVE TO DEAL WITH WHY SOMETHING WAS CANCELLED. I AM TELLING YOU THERE IS NO DEFINITE PLAN, AT THIS POINT, FOR SENDING HIM BACK.

Q. WHY IS HE NOT BEING SENT BACK?

A. CONSULTATIONS, BERNIE.

Q. WHEN IS DOBRYNIN COMING BACK?

A. NO, I HAVE NOTHING ON WHEN DOBRYNIN IS COMING BACK. YOU MIGHT ASK THE SOVIET EMBASSY. IUNDERSTAND THEY HAVE SUGGESTED SOME TIMES FOR THAT.

Q. IS THERE A CANCELLATION, YOU'RE SUGGESTING, OF WHATEVER IT WAS?

A. NO, I'M NOT -- I'M REALLY STEERING AWAY FROM THE WHOLE PHRASEOLOGY. WHAT I'M SAYING IS THAT HE CONTINUES HIS CONSULTATIONS HERE.

Q. HODDING, THIS MORNING, THOMAS GLEASON, THE HEAD OF THE LONGSHOREMEN, SAID THAT HE EXPECTS A MEETING ON SUNDAY ON THE WEST COAST, AND EXPECTS THE WEST COAST TO GO ALONG WITH HIS POSITION OF BOYCOTTING SOVIET SHIPPING. HE ALSO SAID THAT NO MEMBER OF THE ADMINISTRATION HAS CONTACTED HIM ONE WAY OR THE OTHER ON THIS ISSUE.

IN VIEW OF THE STATEMENT I THINK YOU MADE EARLIER -- THAT THE ADMINISTRATION WAS NOT NECESSARILY IN FAVOR OF THAT ACT --

A. YES.

Q. -- IS IT POSSIBLE THAT THE ADMINISTRATION HAS NOT CONTACTED MR. GLEASON ABOUT THIS?

A. IT'S POSSIBLE, THOUGH I SUSPECT THAT WE HAVE TALKED TO LEADERS IN ORGANIZED LABOR ABOUT HIS SUBJECT.

I CAN'T TELL YOU. I DON'T WANT TO ARGUE WITH MR. GLEASON BECAUSE I DON'T KNOW THE FACTS HERE. IT WOULD NOT BE STATE, PROBABLY, THAT WOULD CONTACT HIM.

I THINK THE POSITION I SAID THE OTHER DAY REMAINS THE POSITION OF THE ADMINISTRATION ON THAT QUESTION. I TAKE IT, MR. BRIDGES DOESN'T HEAD UP THE UNION UP THERE ANY MORE -- I MEAN, IF THEY'RE GOING TO GO ALONG WITH THIS.

Q. HODDING, CAN I TAKE ANOTHER CRACK AT AMBASSADOR WATSON?

A. SURE, YES.

Q. PEOPLE TO WHOM HE REPORTS -- IN OTHER WORDS, HIS SUPERIORS --

A. YES.

Q. -- SAID THAT HE WAS GOING BACK.

A. YES, I WASN'T ARGUING WITH YOU, MARVIN - I DION'T ARGUE WITH THAT.

Q. RIGHT.

NOW, WHAT ACCOUNTS FOR THE CHANGE IN HIS PLAN?

A. THE NEED FOR FURTHER CONSULTATIONS, MARVIN.

Q. HOW MUCH LONGER WILL HE STAY?

A. THAT'S AN OPEN QUESTION.

Q. THAT TOO IS OPEN?

A. YES.

Q. IS IT RELATED TO THE FACT THAT AMBASSADOR DOBRYNIN IS COMING BACK AND A CHANNEL WILL BE RE-ESTABLISHED?

A. I DON'T THINK THAT'S A RELATIONSHIP TO DOBRYNIN I WOULD HAVE SUGGESTED.

Q. I BEG PARDON?

A. I DON'T THINK THAT'S A RELATIONSHIP TO DOBRYNIN THAT I WOULD HAVE SUGGESTED. VANCE